

CHAPTER 16

FOREIGN CURRENCY RECORDS AND REPORTS1601 SUBSIDIARY RECORDS

160101. General. All transactions involving foreign currency are treated as cash transactions and basically follow the same principles and guidelines established for controlling U.S. currency. All DOs, agents, and cashiers who engage in foreign currency transactions (collections, disbursements, and accommodation exchanges) shall maintain a record of such transactions on DD Form 2663, Foreign Currency Control Record. The DD Form 2663 shows current balances of foreign currency on hand (all foreign currency held by cashiers, in the vault, or by other agents of the DO) and in LDAs and the detailed transactions that increase or decrease these balances. Foreign exchange (FT) account foreign currency transactions (see chapter 15 of this Volume) are not included on DD Form 2663.

160102. Requirement for Separate DD Forms 2663. Separate DD Forms 2663 shall be maintained for each type of foreign currency used (for example, Italian lira, French francs, or Japanese yen). Also, a separate DD Form 2663 shall be maintained for accommodation exchange foreign currency if it is carried at a different exchange rate than that used for disbursements. At the DO's discretion, separate DD Forms 2663 may be maintained for foreign currency on hand and foreign currency in LDAs.

160103. Preparation of DD Form 2663. The DD Form 2663 is designed for notebook-style usage. Both sections (sides) of the form must be completed to make a complete record of each line entry. An example of DD Form 2663 is shown as figure 16-1. Complete the form as follows:

A. Item 1: Date. Enter the applicable transaction date.

B. Item 2: Transaction Reference. Enter data that will enable reference to transaction source documents (voucher number, revaluation, LDA check number, etc.).

C. Item 3: Exchange Rate. Enter the foreign currency to United States dollar exchange rate applicable to the transaction.

D. Item 4: Collections

1. Subitem a: Miscellaneous Receipts. Enter the number of foreign currency units in the units column and the United States dollar equivalent of those units in the dollars column for any foreign currency collected into a Treasury miscellaneous receipt account.

2. Subitem b: Reimbursement/Refund. Enter the number of foreign currency units in the units column and the United States dollar equivalent of those units in the dollars column for any foreign currency reimbursement or refund transactions. At the DO's option, these columns may be used only for reimbursements with refunds being netted out in Item 8. Line through the word "refund" in the item heading if this option is exercised.

E. Item 5: Purchases

1. Subitem a: Government Sources. Enter the number of foreign currency units in the units column and the United States dollar equivalent of those units in the dollars column for any foreign currency purchases from government sources including other DOs, Treasury, State Department, etc. Include foreign currency acquired from government sources that will be used for accommodation exchange purposes. However, do not include foreign currency acquired in accommodation exchange transactions.

2. Subitem b: Non-Government Sources. Enter the number of foreign currency units in the units column and the United States dollar equivalent of those units in the dollars column for any foreign currency purchases from non-government sources including military banking facilities and nonappropriated fund activities. Include foreign currency acquired from non-government sources for purposes of

making accommodation exchanges and foreign currency acquired in accommodation exchanges.

3. Subitem c: Outlay for Accommodation Exchange. This subitem is for memorandum entry only since any foreign currency acquired in accommodation exchange transactions is included in subitem 5b above. Enter the United States dollar equivalent of those units in subitem 5b associated with accommodation exchange purchases. These amounts are required for foreign currency reporting. This subitem may be left blank when a separate DD Form 2663 is maintained exclusively for accommodation exchange transactions.

F. Item 6: Country. Enter the name of the country whose currency is reported on the DD Form 2663 (i.e. France, Italy, Japan, etc.).

G. Item 7: Currency Unit Type. Enter the name of the foreign currency reported on the DD Form 2663 (i.e. Franc, Lira, Yen, etc.).

H. Item 8: Disbursements. Enter the number of foreign currency units in the units column and the United States dollar equivalent of those units in the dollars column for any foreign currency disbursements. If foreign currency refunds are included in subitem 4b, disbursements entered in this item should be gross disbursements. If only reimbursements are entered in subitem 4b, disbursements entered in this item should be net of refunds.

I. Item 9: Deposits/Sales/Transfers. Enter the number of units of foreign currency in the units column and the United States dollar equivalent of those units in the dollars column represented by accommodation exchange sales, deposits to a general depository, or transfers to other DOs or agents outside the DO's accountability. Do not show deposits to an LDA in this item.

J. Item 10: Gain or Loss. Enter gains or losses resulting from revaluation of foreign currency on hand and in an LDA. Include any gains or losses recognized on the basis of individual disbursement or accommodation exchange transactions. Also enter the amount of any physical losses of foreign currency. (Overages of foreign currency should be processed as a reimbursement to **F3875 or eventually as a

receipt account collection. See chapter 06 of this Volume).

K. Item 11: Sub Balance.

1. Subitem a: On Hand. Enter the cumulative number of units of foreign currency in the units column and the United States dollar equivalent of those units in the dollars column representing the balance of foreign currency on hand (not including currency on deposit in an LDA). Entries in this subitem should be balanced (offset) by entries in other items of the DD Form 2663. The only exception is when foreign currency being carried as cash on hand is deposited to an LDA or when an LDA check is written to obtain cash on hand. Such transactions are entered as a decrease (or increase, as appropriate) in the units and dollars columns of this subitem and as an increase (or decrease, as appropriate) in the units and dollars columns of subitem 11b. Appropriate reference to such a transaction must be entered in items 1 and 2.

2. Subitem b: LDA. Enter the cumulative number of units of foreign currency in the units column and the United States dollar equivalent of those units in the dollars column representing the balance on deposit in an LDA. Entries in this subitem should be balanced (offset) by entries in other items of the DD Form 2663 except for transactions involving transfers between cash on hand and cash in an LDA as explained in the preceding subparagraph.

L. Item 12: Combined Balance. Enter the total of the units columns of subitems 11a and b in the units column. Enter the total of the dollars columns of subitems 11a and b in the dollars column.

160104. Totalling the DD Form 2663. Compute and enter column totals of items 4 through 10 at the end of each month, at the end of each quarter, and at the end of each year.

1602 FOREIGN CURRENCY REPORTS

160201. Monthly DD Form 1363, Statement of Transactions and Accountability (FT Accounts). This monthly report is not submitted unless DOs hold funds outside their dollar accountability. Currently, no DOs in the DoD hold such funds.

Instructions for its use and disposition shall be provided by the servicing DFAS Centers when necessary.

160202. Quarterly Reports of DOs.

A. Cumulative Report of Foreign Currency Purchased With U.S. Dollars from Sources Outside the U.S. Government. This report shall be submitted at the end of each quarter and is cumulative for the fiscal year. The report shall include amounts acquired through accommodation exchange transactions as well as purchases from banks and other dealers in currency exchange. The report shall be in the form of a listing under the following headings: Country of Currency; Monetary Unit; Number of Units Purchased; Total Dollar Outlay; and Memorandum - Dollar Outlay for Accommodation Exchanges. Reports shall be submitted to the servicing DFAS Center within 15 calendar days after the close of each quarter.

B. Report of the Balance of Foreign Currency Held Under Dollar Accountability. This report shall be in the form of a listing under the following headings: Country of Currency; Monetary Unit; Number of Units; Dollar Equivalent; and Rate of Exchange. The report shall be submitted at the end of each quarter to the same activity as the cumulative report on outside purchases above and may be combined with that report.

C. Report of Foreign Exchange Received by DOs and Credited Immediately to Miscellaneous Receipt Accounts of the Treasury. These funds are received for such things as fees and services and are immediately purchased by DOs with appropriated funds for their operating needs. Repayments to appropriations and receipts to FT accounts are excluded. The report shall be in the form of a listing under the following headings: Country of Currency; Monetary Unit; Number of Units; Dollar Equivalent; and Rate of Exchange. This report shall be submitted at the end of each quarter to the same activity as the cumulative report of outside purchases and quarterly report of balances of foreign currency on hand and may be combined with those reports.

160203. Consolidated Quarterly Reports of DOs. The DFAS Centers shall consolidate the

quarterly reports of DOs detailed above and forward them as directed by DFAS Headquarters in time to be delivered to Treasury 45 calendar days after the close of each quarter. Simultaneously, a copy of the combined consolidated quarterly reports of DOs or a consolidated quarterly report of foreign currency on hand only shall be submitted to the Department of Commerce.

1603 SF 1219, STATEMENT OF ACCOUNTABILITY

160301. General. All foreign currency balances held under a DO's dollar accountability, including limited depositary checking account balances, shall be reported on the SF 1219. All entries in the amounts column shall be expressed in their U.S. dollar equivalent. Refer to chapter 19 of this Volume for complete details on preparation of the SF 1219.

160302. Specific Entries

A. Line 1.00 - Total Accountability Beginning of Period. The amount reported here shall be the total U.S. dollar accountability of all currencies, both U.S. and foreign, and include any balances from limited depositary checking accounts expressed as a U.S. dollar equivalent. The monetary unit/units of foreign currency holdings shall be spelled out and enclosed by parentheses immediately after the caption "1.00" in the blank space between the caption and the amount column.

B. Lines 2.00 Through 4.9 - Transactions. The amounts entered on these lines shall be reported at the U.S. dollar equivalent of all transactions in all currencies, both U.S. and foreign. However, note that Line 2.1 - Checks Issued on the U.S. Treasury, refers only to U.S. Treasury checks. Limited depositary checks shall not be reported on this line. Also, note that Line 4.2 - Deposits Presented or Mailed to Bank refers only to deposits made for credit to the Treasury General Account. Deposits made to a limited depositary checking account in the name of the activity or the DO shall not be reported on this line.

C. Line 5.00 - Total Accountability Close of Period. The amount reported here shall be the total U.S. dollar accountability of all

currencies, both U.S. and foreign, and include any balances in limited depositary checking accounts expressed as a U.S. dollar equivalent. The monetary unit/units of foreign currency holdings shall be spelled out and enclosed by parentheses immediately after the caption "5.00" in the blank space between the caption and the amount column.

D. Line 6.1 - Cash on Deposit in Designated Depositary. The name of the limited depositary bank, the U.S. dollar equivalent of foreign currency, and the monetary unit of foreign currency held in limited depositary checking accounts shall be shown on this line in the blank space provided. If more than one limited depositary checking account is maintained, a separate schedule shall be attached to the SF 1219 showing the name of each bank, location, monetary unit of currency carried, and U.S. dollar value for each limited depositary checking account.

E. Lines 6.2 Through 7.9 - Analysis of Accountability. The entries in the amount columns of lines 6.2 through 7.9 shall include the U.S. dollar equivalent of any foreign currency appropriate to the line caption. The monetary units of foreign currency and the U.S. dollar equivalent shall be shown enclosed in parentheses in the blank space between the line caption and the amount column.

F. Line 8.0 - Total of My Accountability. The entry in the amount column shall equal the sum of the entries in the amount columns for lines 6.1 through 7.9. The sum of the U.S. dollar values for each of the foreign currencies shown in parentheses on lines 6.1 through 7.9 shall be shown along with the respective monetary unit enclosed in parentheses in the blank space between the caption "8.0" and the amounts column. The totals in the blank space between the caption and the amount column shall equal the entry in the amount column. The entry in the amount column for line 8.0 shall equal the entry in the amount column for line 5.00 unless the DO is acting as settlement officer for former DOs at that station and entries are required on lines 9.2 through 10.0.

G. Lines 9.2 Through 10.0 - Analysis of Predecessor's Accountability. Entries on lines 9.2 through 10.0 shall follow the same guidelines used for lines 6.1 through 8.0 if foreign currency holdings are included in the U.S. dollar figure in the amount column.

H. Line 11.0 - Total Disbursing Office Accountability. The entry in the amount column shall equal the sum of the entries in the amount column for lines 8.0 and 10.0 and shall also equal the entry in the amount column for line 5.00. Any foreign currency monetary units and their U.S. dollar equivalents shall be shown in the blank space between the caption "11.0" and the amount column.

FOREIGN CURRENCY CONTROL RECORD (Section I)												
1. DATE	2. TRANSACTION REFERENCE	3. EXCH RATE	4. COLLECTIONS				5. PURCHASES				c. OUTLAY FOR ACCOM. EXCHANGE DOLLARS	
			a. MISC. RECEIPTS		b. REIMBURSEMENT /REFUND		a. GOVERNMENT SOURCES		b. NON-GOVERNMENT SOURCES			
			UNITS	DOLLARS	UNITS	DOLLARS	UNITS	DOLLARS	UNITS	DOLLARS		
4/6/XX	CV-1111	1.10										
4/9/XX	Purch by Accom Exch	1.10								10	11.00	11.00
4/12/XX	Vend Pay Vouch S12	1.10										
4/16/XX	Sale by Accom Exch	1.10										
										10	11.00	11.00

DD Form 2663, AUG 93

Figure 16-1. Sample DD Form 2663, Foreign Currency Control Record

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Figure 16-1. Sample DD Form 2663, Foreign Currency Control Record (Back)